

MOUNTAIN WATER COMPANY

WBIII No. SB262

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**Exhibit No** 

February 16, 2015

Chairman Scott Sales Senate Judiciary Committee PO Box 200500 Helena, MT 59620

RE: Proposed Confederated Salish & Kootenai Tribes Water Rights Compact

Dear Chairman Sales and Members of the Senate Judiciary Committee:

This letter expresses Mountain Water Company's support of the proposed Water Rights Compact entered into by the Confederated Salish & Kootenai Tribes, The State of Montana, and United States of America.

Mountain Water Company (Mountain) is the primary public water supplier for the city of Missoula and surrounding area, serving over 23,000 customers with a population of about 60,000. Mountain's supply comprises 70+ water rights with priority dates ranging from 1866 to 1996. Mountain's ability to acquire new water rights in the future will play an integral part in Missoula's ability to grow. Mountain takes water rights in western Montana very seriously.

Mountain supports the proposed Compact for a number of reasons, including:

- The Compact will avoid inevitable and protracted federal litigation over CSKT's water rights.
- Mountain and other water users can participate in the adjudication of any of CSKT's offreservation water rights through the normal stream adjudication process under the jurisdiction of Montana's Water Court, as opposed to prolonged litigation in the Federal court system.
- The instream flow provisions protect recharge to the Missoula Aquifer, Missoula's only water supply.
- The Compact does not create any "new" water rights in the upper Clark Fork, Bitterroot, or Blackfoot River Basins.
- Hungry Horse Reservoir water will be leasable to support future growth in the Clark Fork watershed.

Mountain understands that all parties made significant concessions, and extends our thanks to the Compact Parties for their creative and diligent efforts in reaching this proposed settlement.

Sincerely

Yohn Kappes

President

Mountain Water Company